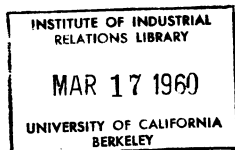


ABSENTEEISM

by Marjorie Brookshire



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By

MARJORIE BROOKSHIRE

Edited by Irving Bernstein

Drawings by Bill Tara

INSTITUTE OF INDUSTRIAL RELATIONS

UNIVERSITY OF CALIFORNIA, LOS ANGELES

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Foreword

THE INSTITUTE OF INDUSTRIAL RELATIONS of the University of California was created for the purpose, among others, of conducting research in industrial relations. A basic problem is to reach as large an audience as possible. Hence the Institute seeks through this series of popular pamphlets to disseminate research beyond the professional academic group. Pamphlets like this one are designed for the use of management, labor organizations, government officials, schools and universities, and the general public. Those pamphlets already published (a list appears on the preceding page) have achieved a wide distribution among these groups. The Institute research program includes, as well, a substantial number of books, monographs, and journal articles, a list of which is available to interested persons upon request.

Absenteeism is a universal problem in an industrial society. A nation at war must deal with it by urgent means. A democratic nation at peace handles it by persuasion and by rule at the plant level, often in the give-and-take of collective bargaining. The nature of absenteeism as a problem and the means that have evolved to deal with it are the subject of this pamphlet.

Professor Brookshire took her Ph.D. in economics at the University of Texas. She is presently on the economics faculty of San Diego State College.

The Institute of Industrial Relations wishes to express its appreciation to J. Robert Malone of the Cannon Electric Company and to Clarence E. Wright of Local No. 811, United Automobile, Aircraft, and Agricultural Implement Workers for having reviewed the material dealing with the Cannon Electric absenteeism program. The illustrations were drawn by Bill Tara. Mrs. Anne P. Cook assisted with the editing.

The viewpoint expressed is the author's and is not necessarily that of the Institute of Industrial Relations or of the University of California.

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I. Introduction

DURING the first half of the twentieth century, both the United States Government and the American employer have come to recognize absenteeism as a problem of our economic society. Since more than half of work absences are related to illness, company and public health physicians have been concerned as well. The worker and his representative union are no less concerned with the causes and consequences of work absence, for many of the causes are beyond the power of the worker to remedy and the consequences may be quite grave.

Interest in this problem is not limited to the United States, however, for work absences plague productive effort around the world. For the United States, the problem must be viewed within this framework: (1) the economic society's need for maximum production at least cost, a need that is felt most keenly during wartime; (2) the private manager's need to cover all costs of production; and (3) the civil right of a free worker to be absent from work.

The first two requirements are, roughly speaking, common to societies and managers throughout the world, if standards of living are to be raised. But the

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right of the free worker is far from universal. Nevertheless, even where this right does not clearly exist, as in the Soviet Union, or where it is abridged, as under the Essential Work Orders of Great Britain during World War II, workers do absent themselves from work. Thus absenteeism can be seen as an elementary form of protest, an individual strike, and so not a purely economic phenomenon.

This pamphlet is directed toward a study of the nature of work absence, causes of absenteeism, and some means of dealing with absenteeism in our economic society.



II. What Is Absenteeism?

ABSENTEEISM in its most widely used sense means the failure of workers to report on their jobs when they are scheduled to work. The Bureau of Labor Statistics holds that any employee normally attached to the labor force of a particular plant is "scheduled to work." Thus workers who are ill or injured, workers who quit without notice and have not been removed from the payroll, as well as workers taking unauthorized time away from the job, are all counted as absentees.

Absenteeism in common parlance is usually expressed as a rate. The BLS formula employing this definition is:

$$\text{Absenteeism} = \frac{\text{number of man-days lost through job absence during period}}{(\text{average number of employees}) \times (\text{number of working days})} \times 100$$

Thus if the Jones Company employs on the average 300 workers, and during one month (24 working days) 200 man-days are lost through job absence, the absentee rate is:

$$\frac{200}{300 \times 24} \times 100 = 2.8\%$$

If the average number of persons employed each day of the month is not readily available, the average to be used in computing the absentee rate may be obtained by

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averaging the number of persons employed in each of the pay periods ending during the month. Thus, if there were two pay periods in the month, with 250 workers appearing on one payroll and 350 workers on the other, the average would be:

$$\frac{350 + 250}{2} = 300$$

If a firm has stable employment, the number on the payroll at the pay period ending nearest the fifteenth of the month may be reasonably representative of the average number of employees. This figure is available in the records of most firms, since it is the employment figure ordinarily requested for state unemployment insurance reports.

One of the most serious limitations of this definition and formula is that in this rate illness and accident absences account for from one half to three fourths of the absenteeism. For this reason, many researchers and employers may wish to use a formula that either excludes medical absences altogether or minimizes their effect. In the latter case, one may count each absence once, regardless of how many days are lost. The assumption here is that most prolonged absences are medically related. This procedure also involves a value judgment, either that illness absences are more acceptable than other types or that they are not avoidable. Recent studies conducted by Drs. Lawrence E. Hinkle, Jr. and Norman Plummer for the New York Telephone Company relate life stress, including on-the-job pressures, to illness incidence and seem to question these value precepts. Per-

haps the broad definition of absenteeism which includes the full weight of illness is best after all.

Work absence as an individual strike or protest is more elusive of measurement, but none the less real. Increasingly worker discontent as manifested in work absence, and even in illness, is seen as a significant area to be explored. Studies of worker protest may probe attitudinal and emotional factors, the role of supervisory employees in preventing or inducing absenteeism, the conditions creating or undermining job satisfaction, the needs of working people and their fulfillment, and other psychological and sociological aspects of the employment relationship. Any major plant study of absenteeism must in some way be concerned with these questions.

Because of the real complexities unearthed in this research, some students of work absence now avoid using the term "absenteeism" at all, and use instead "absentism" or simply "work absence." In the future, as more is learned, this may become the accepted terminology.



III. Absenteeism Around the World

THE CULTURAL ASPECTS of work absence can be seen in a quick glance around the world.

1. INDIA

In industrializing India, where religious festivals are considered acceptable reasons for work absence, absenteeism is generally higher than in Great Britain and the United States. In the Ahmedabad Experiment, an industrial project employing British know-how and Indian labor, absenteeism initially ran about 12 per cent in the mill as a whole, and this was considered normal. Administrators of the Ahmedabad Experiment found that Indian custom divides industrial labor into two categories: (1) permanent workers, those who are guaranteed employment on any day on which they present themselves, and (2) Baldi, those who obtain employment if it is available because of the absence of permanent workers. Such absences as a two-week jaunt to attend the marriage ceremony of a relative in a distant village are considered reasonable.

2. SOVIET UNION

In the Union of Soviet Socialist Republics, absenteeism has long been a problem. In the 1920's and 1930's, before and during the period of the first five-year plan, absenteeism and what was called "bad timekeeping" plagued efforts to achieve scheduled production. The reasons most often cited were the large influx into industry of "raw labor from the villages," labor that was unused to the discipline of the industrial organization and the timekeeper, and the increased consumption of alcohol. Bad housing also played a part. A manifesto issued by the Central Committee of the Communist Party in 1930 said that the "real struggle" in fulfilling the five-year plan was with disorganization and absenteeism.

In spite of a slogan "Face Toward Production" and the threat of loss of a job and loss of housing, absenteeism continued to be a serious problem even in the late thirties. Beginning in 1940 and continuing during World War II, industry in the Soviet Union was under war regulations. Each worker was required to have a "labor book" containing his employment record. Under this code, absenteeism was made a punishable offense in a court of law.

Since the war, absenteeism has continued to exist in the Soviet Union under conditions approximating overfull employment. The experience of the Soviet Union dramatizes the work-absence problems of an economy industrializing under a system of planned economic goals.

3. MEXICO

Absenteeism seems to be a problem in any country engaged in industrialization. Sanford A. Mosk reports, for example, that absentee rates in Mexican industrial plants are "very high" in comparison with more advanced industrial economies. The Mexican government's answer to absenteeism is its effort to help wage earners generally to adjust themselves to factory employment and to the new tempo of the Mexican economy by creating new wants through education. The knowledge of higher standards of living, a program that goes hand in hand with the reduction of illiteracy, is believed to provide an incentive to a worker to maintain his income through regular attendance.

4. GREAT BRITAIN AND THE COMMONWEALTH

A great part of our knowledge of absenteeism came out of the wartime experiences of Great Britain and the Commonwealth countries, when we gained new insight into the relationship between long hours and absenteeism. After the battle of Dunkirk, British production spurted, even under a 70- or 75-hour work week. By July, 1940, however, the need to reduce working time was officially noted, and a gradual reduction of the work week to 55 or 56 hours was recommended as a goal that would avoid excessive absenteeism. Nevertheless, in 1942 it was estimated that absenteeism among British workers covered by Essential Work Orders was 10 per

cent, in spite of the fact that such employees were liable to imprisonment or fine for staying away from work without good cause.

Australia learned from the lessons of Great Britain, and in trying to reduce absenteeism in 1943 the Australian government announced a program of restricting hours. New Zealand wartime studies sounded a keynote that was to be important in many postwar studies, when it was found that the basic condition creating a problem of absenteeism was poor morale, rather than high wages, long hours, and bad working conditions.

Still later, in 1948, a British study traced absenteeism among factory workers to neurosis, and noted that the incidence of neurosis was above average among persons who disliked their work or found it boring and among those doing monotonous jobs that were light and sedentary. This investigation found that persons doing work requiring constant attention but affording little initiative, technical responsibility, or variety had more than the usual frequency of neurosis. The report observes that it may be less important to make jobs in Great Britain "foolproof" than to remove the factors that make workers dislike the tasks.

5. CONCLUSION

It seems that planned and unplanned, wartime and peacetime, industrializing and well-developed economies all experience absenteeism in varying degrees and for varying reasons. The worker, free or not, may have his subtle protest by staying away from the job.

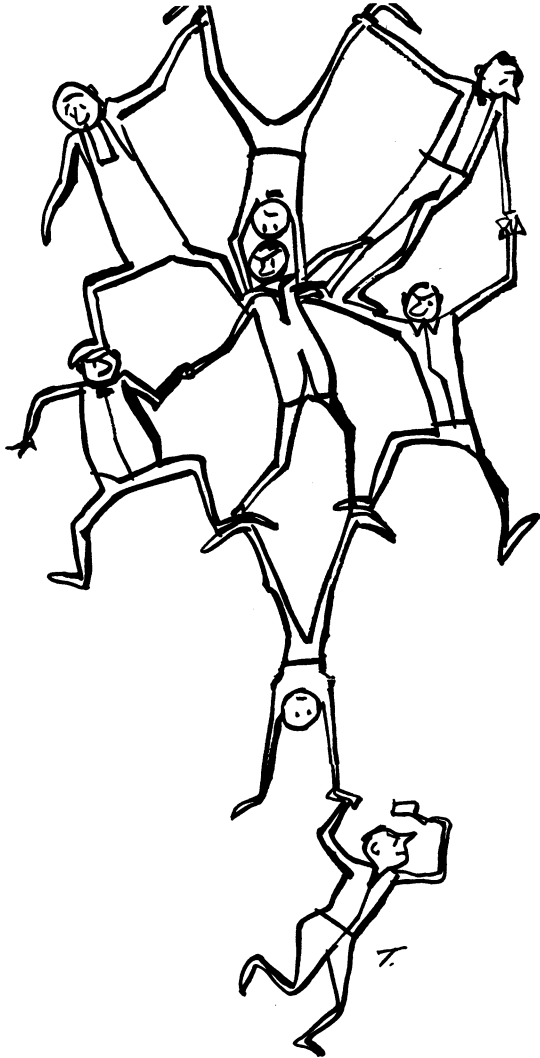
IV. The Problem in the United States

1. WARTIME AND PEACETIME RATES

The problem of absenteeism in the United States received widest attention during the two world wars, for then any waste of our economic resources threatened national security. Much of our information on absenteeism is related to war production experience, when absenteeism was believed to be unusually high.

Studies during World War II indicated that absenteeism rates varied in shipyards and airframe plants from 2 to over 20 per cent of working time. These estimates, even then, were not typical of all industry. Absenteeism rates in any given industry may vary widely over time. In the only industry (shipyards) for which we have comparable figures from both world wars, we find that the rate during World War II was one half that of World War I. Individual company studies, such as that of the New York Telephone Company, also indicate variations in absenteeism rates over time.

With the return to a peacetime economy, except during the brief interruption of the Korean fighting, national interest in absenteeism declined. Although we have no



national series, many researchers believe that the normal rate of absenteeism in the average United States business is between 2 and 3 per cent. This is relatively low in comparison to countries such as India. However, some estimates run as high as 6 per cent for all working time nationally, the variation due in part to conflicting definitions of absenteeism rates.

One survey of industries in the Los Angeles area, made by the Merchants and Manufacturers Association, shows an overall absentee rate of 2.8 per cent for the month studied. Although rates varied, no rate was found to be more than 3.3 per cent for a combination of salaried and hourly paid workers, excluding managerial, professional, and technical employees.

2. THE COSTS OF ABSENTEEISM

Clearly absenteeism costs the employer money—through loss of production, through forced substitution of workers in jobs for which they are not fully trained, through increases in insurance rates, and through additional costs for training replacements or stand-by employees, to name only a few. Absenteeism must then cost the consumer money, through higher prices. Absenteeism also costs workers money, through reduced earnings.

There is some evidence that the costs of absenteeism to the American employer are rising. Drs. Plummer and Hinkle reported to the Seventh Industrial Health Conference in 1954 that during the past thirty years the

percentage of absentees away from their jobs because of illness has been increasing. This is apparently true in spite of improvements in medical care and in the treatment of disease. They estimate the dollar cost of sickness absence to employers in United States industries to be the staggering sum of \$10 billion per year. Their estimate is an extrapolation of a careful study of the New York Telephone Company which indicated that the sickness-absence costs to this company averaged more than \$10 million per year, even without including all the costs of reduced productivity which may accompany absenteeism.

3. SUMMARY

There seems to be no evidence either that absentee rates in the United States are inordinately high or that the national standard of living suffers. Growing employer concern manifests itself because of the increasing costs of absenteeism, or perhaps merely a belated recognition of costs that have been obscured by a lack of records on work attendance.



V. A Challenge to Management

IN THE UNITED STATES, where the employer plays the key role in directing production, absenteeism is management's problem. This is true not only because absenteeism is a cost of production and possibly an indication of some managerial ineptitude, but also because management can do something about it. The proportions of this challenge to management were not fully understood before World War II. During the war, however, a group from Harvard University led by John Fox and Jerome Scott made a very revealing investigation into the problem of absenteeism in identical departments in three different companies in a single community. Remarkable differences in absenteeism rates were found. Since the employees of all three companies were from the same labor market and shared the same environment in housing, transportation, and even shopping difficulties, these outside factors could not account for such differences.

The variation in absentee rates was attributed in large part to differences in plant administration, the quality of management which affected or conditioned the re-

sponse of the workers to community problems and even to personal difficulties.

Management now generally concedes absenteeism to be its problem. During wartime studies of work absence by the House of Representatives Labor Committee, one management representative went so far in his testimony as to say that the question of absenteeism was "the sole responsibility and function of management, aided by good relations with its workers and any trade unions which might be involved as well as municipal and community officials and services."

Managerial acceptance of this responsibility and function, however, is very uneven throughout the United States, and there is by no means universal agreement on the solution to be applied.

1. THE DISCIPLINARY APPROACH

If the employer assumes, as management generally did before World War II, that absences are related only to the type of person an employee is, then he is likely to conclude that the rate can be reduced by simply ordering more effective enforcement of rules and regulations.

When using mere discipline, management treats absenteeism as a problem that begins and ends with individual employee performance. The underlying assumptions of this outdated approach are: (1) absenteeism is the fault of the employee, and (2) absenteeism, for whatever reason, is intolerable to an efficiently operating or-

ganization. Unfortunately, if these assumptions are totally relied upon, management is blinded to some of the correctable causes of absenteeism, causes that do *not* lie with the individual employee.

Another unfortunate result is that the employer will be constantly "building a case" against an employee for disciplinary purposes. A policy operating in such an atmosphere, even though consistently and thus "fairly" applied, is likely to antagonize the individual employee and his shop steward or union business agent. Wherever possible, the employee will try to use an "acceptable" excuse to explain his absence. Absences resulting from poor working conditions, long hours, industrial fatigue, or dissatisfaction with placement or with direct supervision are obscured. A likely result in unionized plants is an almost automatic filing of a grievance by the union in each discipline case.

2. THE BROADLY CONSTRUCTIVE APPROACH

In view of the war and postwar studies of the real complexities of absenteeism, it is hoped that more and more managers will turn to an affirmative and constructive approach to the problem of absenteeism. The necessity for consistent disciplinary action for unexcused absence will remain. But disciplinary action need not be considered as exhausting the managerial concern with absenteeism and with the industrial ills which it symbolizes.

Several companies are leading the way. Notable among these is the Detroit Edison Company, which made a research grant to the University of Michigan for a study of employee attitudes within the company as these affected absences. This research was then utilized in the development of a company program of the broadest scope.

Given a more constructive approach, the employer is concerned not only with the disciplinary aspects of absenteeism, but also with the morale of the industrial unit. The objective of his enforcement of company rules is to correct rather than to penalize employees who take excessive or unjustified time off.

There are several advantages inherent in this general approach. For one thing, the employer is more likely to be able to ascertain the real reasons for absence and to correct these. His inquiries or those of the supervisor about reasons for absence will represent, not an effort to spy, but a personal interest in the employee and his problems.

In addition, the employer retains more alternatives in dealing with absences. For one thing, he may differentiate in his treatment of those rarely absent, as compared with those occasionally absent and those who are chronic absentees. Most recent studies find that such differentiation is the beginning of absence control. Drs. Hinkle and Plummer suggest that chronic absentees may comprise as much as one third of the working population. A mere disciplinary program cannot be the answer, since many of these people are attempting to carry

an unusual load of caring for ill relatives, raising children as single parents, or meeting other standards of behavior and achievement that are valuable to society as a whole. Many employers cannot avoid hiring from this particular group, nor is society ready and willing to find solutions other than employment to the problems of these individuals.

Another major advantage of a flexible policy is that it takes into account the value of worker morale. The costs of low morale are not easily measured in money. Even so, all management knows that there are costs in the slowdowns, walkouts, poor workmanship, and accidents that accompany low morale. The Detroit Edison study showed that the attendance pattern of workers is definitely related to the overall feelings they have about their job, their supervisor, and the company.

Finally, labor turnover is minimized. One of the assumptions of the strictly disciplinary approach noted above is that absenteeism, for whatever reason, is intolerable to an efficiently operating organization. This assumption is certainly valid, as far as it goes. Absenteeism is a costly affair. For many operations, however, labor turnover is many times costlier, and even futile if the employer must draw from a labor pool of absence-prone workers. An employee removed through disciplinary discharge ordinarily requires a replacement who must be hired at some expense in medical examinations and record keeping at the very least. During the training period the production rate of the new employee is usually lower than that of a regular employee. Recogni-

tion of those costs has convinced many employers that the use of the disciplinary discharge is, if other alternatives exist, a luxury that an efficient enterprise cannot regularly afford.

Consequently, in addition to avoidance of certain costs, a broadly constructive approach may result in a positive gain by raising worker morale and by restoring to good service a valuable employee who, for one reason or another, has fallen into a habit or has been forced by circumstances into a pattern of excessive absences.



VI. Unions and the Control of Absenteeism

TRADITIONALLY and all over the world absenteeism has been accepted as a managerial problem. This is true whether the manager is a free enterpriser or the functionary of a state-owned productive unit. Thus the role of unions, whether free or state-sponsored, has often been one of responding to the type of absenteeism control that is initiated by management.

Essentially there are two polar roles which unions may play, with the actual practices of unions falling somewhere between these poles:

- 1) The union may play a role that is primarily directed toward protection of the worker who is disciplined for absenteeism.
- 2) The union may play an active role in combatting absenteeism.

The identification of these two poles of possible action is suggested by the real actions of unions here and abroad. In the USSR, throughout the twenties and early thirties official allegations appeared to the effect that unions were doing little or nothing concerning the problem of absenteeism and were misguidedly concentrating

on the protection of worker members. Maurice Dobb shows that after some changes in the unions' policy-making body, it became more widely understood that the role of the trade union in the new society was to be that of "educator," with emphasis on the promotion of productive activity and of proper attitudes toward work and attendance. Seemingly, both poles were touched by the Soviets in their search for the proper relationship of the state-sponsored union to the problem of absenteeism.

That such a re-evaluation of the role of unions has been proceeding in India is suggested by Van Dusen Kennedy, who interprets the conceptual legislative framework of labor relations in India as suggesting that unions are developing as disciplinary agencies of the state.

1. FREE UNION RESPONSE

a. *Protective.* A free union is generally constructed on the assumption that its institutional being is justified by the protection it gives the worker member. Ordinarily, then, the union reserves the right to challenge the company whenever any particular instance of disciplinary action seems unjustified, extreme, or discriminatory.

The loss of a job through disciplinary discharge, whatever provoked it, is a serious matter for a worker. His personal and material loss depends on his length of service, his status in the line of progression, his investment or that of his company in group insurance protection, his

retirement hopes, not to mention the trouble of finding a new job. These personal factors are well known to his fellow workers, so that the protection of this individual with whom they identify their own fortunes is important to their morale as well. A union cannot well afford to ignore the feelings of employees in these matters.

Ordinarily, protest takes the form of utilizing the grievance procedure provided in the collective agreement. There is, of course, no general agreement among either unions or employers on the exact meaning of "extreme," "discriminatory," or "adequate warning." Over the long run these meanings are spelled out for any one company and its union through the interaction of the two, aided perhaps by the therapeutic settlement of some grievances by arbitration awards.

b. *Passive.* Many unions display a passive attitude toward managerial attempts to deal with the problem of absenteeism. This passivism seemingly concedes that not only is absenteeism management's problem, but that management has wide prerogatives in dealing with it. However, if discipline is thought to be unfairly applied, almost any free trade union will use whatever means of protest are available.

c. *Corrective.* Unions in the United States often play an active role in combatting absenteeism. This was generally true during World War II, when national attention was focused on the problem. At that time the procedure often followed was for the foreman to report absences to the union shop steward, who then interviewed the absentee on his return. This procedure was retained by some companies when the war ended.

In a survey on the control of absenteeism, the Bureau of National Affairs found that three fourths of the employers of companies having unions reported a number of ways in which unions assist in solving the absentee problem. The most frequently cited were admonitory talks by union representatives with chronic absentees and the refusal to defend habitual offenders when they are disciplined.

One company not only sends a warning of impending discipline to the employee but also furnishes a copy to the union. The management has found that the union follows up these warnings and tries to have the condition corrected.

Another union investigates any cases under discussion when informed of them. If the absenteeism seems excessive or unjustified, the union issues its own warning to the offending employee that the union will not back him up in the event disciplinary action is taken by the company.

Another union, though it does not actively assist in combatting absenteeism, is reported by management to make only a token defense in disciplinary proceedings growing out of absenteeism. This union has never taken a discharge for absenteeism to arbitration, and it has warned employees that if they did not improve their attendance it would not defend them.

One employer reported to the BNA that after the union joined the company in formulating the disciplinary procedure, there was no instance of the union's filing a grievance when the procedure was invoked. This was true even though there were 38 discharges for absentee-

ism "before employees became convinced that the company and union were serious about the program."

About one fourth of the companies having unions reported that the union did little or nothing to improve attendance. The importance of the mere presence of the union, whether it be passive or active in the absenteeism program, is not fully understood. One employer representative appearing before the House of Representatives Labor Committee during the wartime hearings on absenteeism testified that on the basis of his experience as a consultant for 41 companies, he was convinced that where you have *both* a strong union and strong management, absenteeism will be less.

2. WHY DOES UNION RESPONSE VARY?

Union response to managerial programs of absence control varies significantly from one employer to another. One of many possible explanations is that free unions do not generally agree on the proper union role in absence control. Even so, there is such a wide variety of attitudes displayed by union officials that a hypothesis is suggested: union response to a managerial program of absence control reflects the nature of that program itself. If management's program is purely disciplinary, then union response tends to be defensive and protective. If management's program is broadly constructive, then union response is more cooperative. In other words, management is likely to experience the kind of union response that its program deserves.

VII. Causes of Absenteeism

THE CAUSES of absenteeism are quite varied. As the American Medical Association publication "A Syllabus on Work Absence" notes, "A worker on the job must be both willing and able to be there; if one of these conditions is not satisfied, he will be absent."

Accurate reports on the causes, even medical causes of absence, are difficult to obtain. Most studies try to deal with both immediate causes and also underlying or contributory causes. These are too numerous to list in a small publication and must be presented through some classification of data.

The following groupings are used widely in sociological and Department of Labor studies: (1) situations external to the work relationship that give rise to absences; (2) personal and economic characteristics of the work group itself that result in absences; and (3) situations in the work relationship that affect the attitude of workers toward attendance.

This classification should not obscure the fact that these categories are interrelated. For instance, the Fox and Scott study referred to earlier clearly shows that external situations tend to be more conducive to absence if the worker is dissatisfied with working conditions in

the plant. Likewise, the work group itself tends to take on a characteristic preference for tardiness, absence, or quitting without notice where morale is low.

1. SITUATIONS EXTERNAL TO THE WORK RELATIONSHIP

The first cause of absence to receive widespread attention was one of this type—nonoccupational illness. During the 1920's public health studies showed illness to be a real thief of labor time. These studies not only encouraged the growth of public health requirements, such as compulsory smallpox vaccination, but also prompted many employers to experiment with offering medical services to workers. These new industrial medical efforts had two general purposes: to combat illness and to insure prompt attention to job-connected injuries for which the employer was assuming fuller responsibility.

This field of service now combats both occupational and nonoccupational illness and injury and may include treatment of alcoholism and emotional disturbance as well, and so can no longer be adequately summarized as dealing with "situations external to work relationships." Indeed, we seem to have come full circle when Drs. Plummer and Hinkle demonstrate that industrial absenteeism, illness, and even serious industrial accidents are related to "life stress" which may be traced to adverse conditions on the job as easily as to conditions outside the employment relationship.



During World War II we were confronted with many other external factors contributing to absenteeism. The difficulties of arranging transportation and of finding housing in the war industry areas, and even shopping troubles complicated by shortages and rationing, caused many workers to lose time on the job.

Transportation difficulties as a contributor to tardiness and absenteeism have not disappeared. It has been said that improvements in transportation do not reduce travel time so much as they tend to cause an increase in the distances traveled. Do suburbs require that we build freeways? Or do freeways make suburbs possible? In any case, the worker often chooses to live many miles from his place of work. Even with a radio warning system, such as exists in the Los Angeles area, a worker may well be delayed from 45 minutes to an hour in getting to work because of traffic congestion on the freeway. In one recent incident near an aircraft plant entrance, a serious traffic accident caused between seven and eight hundred persons to be late for work. The four-day weekend is a nationally recognized contributor to nonoccupational accidents.

The day of the week, including blue Monday, and even the month of the year are related in some way to attendance. Winter weather conditions often prevent regular attendance, taking their toll both in health and in transportation arrangements. Some firms in the Northeast find a significant correlation between changes in the temperature and changes in attendance. A study made by the Arizona Bureau of Business Research points out

the advantage of locating in the Southwest to avoid, among other costs, the loss of employee time due to respiratory illness. In view of the movement of industry to the milder climates we might even say that there is no single cause of absenteeism about which *nothing* can be done.

2. CHARACTERISTICS OF THE WORK GROUP

Clearly some marginal employees find regular employment irksome. In fact, a good deal of economic theory rests on the assumption that work is at best an unpleasant undertaking and must be compensated for or remain undone. Whether or not this assumption is valid, findings of absence studies show that several classes of workers tend to be absent more than others. Older workers who have had no previous industrial experience have relatively high absence rates. Workers making a transition from agricultural employment to industry are often poor attenders. Many of these quit without notice periodically to return to seasonal agricultural employment, as if to protest the regular rhythm of industry and its time-clock.

Age, sex, marital status, length of time in the community, all are related to absence experience. Newcomers to the locality, young employees, married women, native Americans, as compared with their opposites, are absent more often.

Older industrial workers, from 45 years up, tend to be

steadier in attendance than younger ones. Disabling and nondisabling injuries are apparently highest among workers in the 33–44 year group, although the healing time for older workers is longer on the average. Absence from the bench for visits to the plant clinic for minor aches and pains may actually be higher for the age group between 20 and 34 years than for any other age group, according to a postwar study of 17,800 production employees in 109 manufacturing plants made by the Bureau of Labor Statistics.

There was a widespread belief during World War II that high wages, partly accounted for by overtime pay, contributed to absenteeism on the part of people who did not aspire to a rising standard of material well-being. Quite likely some of the absences attributed to high wages were really due to wartime extension of the work week. For instance, a BLS study of a war plant of 4,500 employees showed that an absenteeism rate of 20 per cent was associated with the 73½-hour work week. This rate dropped to 8–9 per cent when the weekly hours were reduced to 55.

Nevertheless, the possibility that some workers prefer leisure to work when earning a “satisfactory” total wage cannot be denied. There are surely some individuals in the United States who prefer leisure to more work and higher earnings in some combination. Management personnel in five industrial plants interviewed about absenteeism, however, all denied knowledge of any relationship between availability of overtime work and absenteeism. One personnel manager noted that in a

department of his manufacturing unit which had worked a ten-hour day for two years, absenteeism was virtually unknown. He felt that the \$3.00 straight and \$4.50 overtime hourly rates meant that men "couldn't afford to be absent."

A contributory factor in absenteeism which until recently has been thought of as a purely personal and moral problem is alcoholism. The National Council on Alcoholism estimates that out of a total United States alcoholic population of 5 million, 2 million are workers. Absenteeism because of alcoholism is estimated to cost employers more than 36 million man-days a year, approximately double the time lost by United States workers because of strikes in 1957. Since alcoholism has come to be recognized as more of a medical problem than a moral problem, some attention is given this factor either through the plant medical services or through referral to Alcoholics Anonymous.

Also recently recognized is the contribution of emotional disturbance to absenteeism. The British study mentioned earlier which related neurosis and absenteeism suggests the powerful interplay between the personality make-up of the individual and his place of work. The New York Telephone Company study is a valuable basic work in showing that the chief factor in determining whether an employee would fall among the "well" two thirds or among the "ill" one third was the degree of "psycho-social" stress or tension which the individual experienced in his life both on and off the job. Many industrial psychiatrists are convinced that rather than

being a personal characteristic, much emotional disturbance is actually "triggered" by management itself, through awkward or ill-advised personnel practices or simply by interpersonal contacts, including "bawling out" employees.

3. SITUATIONS WITHIN THE WORK RELATIONSHIP

Contributory factors offering the greatest challenge to management are those that originate in the employment relationship itself. Any personnel practice may affect absenteeism by altering the employee's desire to work. According to the AMA study, the most important personnel practices include those concerned with the selection and placement of workers; reporting and investigation of absences; compensation for absences; hospitalization, medical care, and health examinations; and matters such as the payment of overtime, length of the work week, granting of leave, and so forth. Profit-sharing plans, credit union policies, cafeteria food, coffee breaks, music in the plant, employee indoctrination, all may affect employee ability and willingness to be at work.

Department of Labor studies place some emphasis on the following in-plant conditions inviting absenteeism:

a. *Excessive industrial fatigue.* Industrial fatigue may be related to policy or physical factors. Shift work policies may contribute to it. Working conditions such as poor lighting, drafts, improper ventilation, crowding, excessive noise, and

the like may affect both the health and the morale of the worker and thus both his ability and willingness to attend.

b. *Overstaffing.* War studies during times of labor shortages and labor hoarding show that the employee who feels his work is not needed is more prone to absence than the one who is kept busy with productive work.

c. *Irregular flow of production.* Inadequate or improper planning that results in an unpredictable flow of production enforces idleness upon the work staff and induces absences by making workers feel nonessential. The willingness of the employer to pay workers who are thus idle apparently does not remove the adverse effects.

d. *Poor direct supervision.* The supervisor closest to the worker tends to have the most effect upon him and his attitude toward the company. If the supervisor is inadequately trained or unsuited for his job, poor morale and absenteeism are likely to result. The University of Michigan studies of Detroit Edison showed that both blue- and white-collar work groups having low absence rates were more satisfied with their supervisors than like groups having high absence rates. A supervisor who allows personality conflicts to develop, who fails to foster a group spirit, who is inconsistent or discriminatory in his treatment of workers, who issues conflicting orders, or who constantly changes his mind about assignments, contributes to absenteeism. Such a supervisor victimizes the worker with irritating uncertainty, irregularity, and confusion. The worker may well seek to escape the resulting frustration through absence from the job.

e. *Ineffective grievance procedures.* Wherever there is a lack of effective means to dispose of the frictions that inevitably arise in any industrial plant, absence rates may be adversely affected.

In contrast, the Detroit Edison studies indicated that many positive values in personnel relations are related to low absence rates—freedom to talk over job problems with supervisors, willingness of foremen to listen to personal problems, group discussions and team spirit, utilization of a worker's skills to his satisfaction, recognition for good work done, satisfaction with wages, and overall satisfaction with the company and the job.

In this context, removal or reduction of in-plant contributory causes of absences can bring about a noticeable improvement in the functioning of the economic unit.



VIII. Some Guidelines for Company Policy

ABSENCE is a matter with which any company must deal without waiting for the final story on the underlying causes. Consistent company policy is in order. To avoid a practice of making up rules as cases arise, the employer can establish guidelines that represent his idea of a reasonable approach to work absences. Where there is a union, consistent policies can be made a part of the collective agreement. This chapter suggests seven principles for establishing and re-evaluating absence-control programs.

Principle 1. Relate benefits to absence control.

Any set of rules, whether permissive or tough, can be constructed with the objective of encouraging and enabling the employee to report to work regularly.

The days of work are both culturally and individually determined. We all may smile remembering that Mr. Scrooge did not think it proper for Bob Cratchit to take Christmas Day off, for in the final analysis Scrooge meant not only that Cratchit should work, but that he too should put in a full day on Christmas. Today, where

there is a union, nine out of ten contracts call for paid holidays, with 80 per cent of these providing six or more a year. Even where there is not a union, paid holidays are often established through company practice. Vacations with pay, which traditionally have been the special prerogative of office workers, are often bargained for or sometimes granted by the employer. Absences due to illness or industrial accident, which once were solely the worry of the employee, are now paid absences in many companies.

Where these positive benefits exist, it is to the advantage of both employee and employer to relate the company's benefit program to its absence-control program, and thus to avoid the pitfalls of a negative approach. The employee is simultaneously introduced to the advantages of certain paid absences and made aware of the company's expectations in regard to his attendance under normal conditions. Company pronouncements regarding absence, then, may be informative of privileges and expectations as well as penalties.

The best-known program relating absence pay to absence control is that of Detroit Edison. The company policy is generous, allowing as many as 20 days a year to be taken off with pay for personal illness, death or illness in the family, or necessary personal business. Days not used in a year may be accumulated in a "sick bank" up to a maximum of 60 days. Detroit Edison has based the program on an insurance principle; benefits can be liberal for those who need them because it is anticipated that not all employees will need to use the

benefits during the year and only a small percentage will need to use them extensively.

Many employers neither want nor can afford such a generous program of absence pay. Even so, the Detroit Edison plan illustrates the relationship between a company's ability to maintain its employees' income during periods of personal disability and the cooperation of employees in regular attendance. Almost any company can gain through a positive attempt to relate whatever absence pay it allows to its expectation of attendance.

Principle 2. Formulate a clear and well-thought-out system covering the following matters.

a. *Paid absences.* Where there is a collective agreement, the absences to be paid may be negotiated. Otherwise, there is usually a company practice or perhaps an industry practice that suggests a minimum guideline for good employee morale. Recent *Monthly Labor Review* summaries of negotiated agreements show a definite tendency toward liberalization of paid absences to include not only holidays and sick leaves, but also absences for jury duty, union business, and personal business.

b. *Acceptable reasons for unpaid absences.* Many companies unable or unwilling to include illness or personal business among the justifications for paid absences do establish a system of leaves of absence which are pre-arranged or arranged under emergency situations and which do not jeopardize the seniority or status of the employee.



c. *Procedures for informing supervisor of an absence.* The simpler the procedures, the more workable the program. At the very minimum, the company should designate what office or person is to be informed of the emergency absence of an employee. The requirement of a phone call to the Personnel Office in case of an emergency or an oral request for leave directed to the supervisor for an anticipated absence may be sufficient.

Where payment for absence is involved, fulfilling the procedural requirements may be a condition of receiving the pay. More elaborate procedures for applying for an extended leave of absence may also be spelled out as a necessary condition of obtaining such leaves.

d. *Penalties.* If the principle of relating benefits to absence control has been followed, then the purpose of penalties for unjustified absences or for failure to use specified procedures is to correct the practices of the employee. The penalties for tardiness or unexcused or unreported absences may range from a reprimand or a layoff of part of a day, to a layoff of x days, demotion, or loss of seniority status. If corrective efforts fail, then the purpose of the extreme penalty, discharge, is not to discipline nor to make an example of the erring employee, but rather to protect the company, stockholders, and other employees from the effects on production of the actions of this individual employee.

Since the employer applying these principles is operating a going concern, he can find plenty of guidelines for his penalty structure embedded in the collective agreement, the past practices of his company, and the ordinary

practices of his industry. He need not be bound entirely by his past decisions nor by industry practice, but for morale reasons he will consider these factors before constructing or changing his penalty practices.

A penalty system may properly differentiate between those absentees who are rarely absent, those who are occasionally absent, and those who are chronic absentees. Discretionary loopholes for infractions involving employees of many years' service are common. Most programs include provision for special leaves of absence to be granted in particular cases where penalties appear to be unjustified.

Perhaps the best guideline on penalties is to seek a program that is more than fair to employees by industry standards so that it may be applied consistently with the least adverse effects on plant morale. A more stringent penalty system may have the disadvantage of being difficult to live with, for both supervisors and workers.

e. *Disciplinary procedures.* Provision should be made for notifying the employee of impending penalties. Three-step, four-step, and five-step disciplinary procedures are all common to industry. Ordinarily, the first step is a warning, and heavier penalties are resorted to only after warning. This is considered desirable on the part of management, union officials, employees, and arbitrators generally.

If the cooperation of employees and of the union is sought in the absence-control program, the warning procedure is an extremely important part of a corrective penalty program. Verbal warnings may be the first step

in disciplinary action. If there is no improvement in attendance, then a written warning with a copy to the union of which the employee is a member may be sent. Subsequent notices may carry penalties of suspension ranging from a few hours to a few days. Usually a suspension for a short period will precede suspension with intent to discharge. The purpose of the warning system, like the penalties, is to correct the behavior of the employee and to solicit the aid of his union in promoting better attendance on his part.

f. *Grievance procedure.* The absence-control program should provide for hearing special pleas for leaves of absence that have been denied and for relief from disciplinary action. Where benefits are made known but are not universally granted, there are bound to be complaints. Having the "route of appeal" known to the employee is an important part of the implementation of any program geared to gain the cooperation of the employees. Where a grievance procedure exists, complaints arising from the absence-control program are usually subject to the ordinary procedure. At the very least, designation should be made of the company officer who is responsible for final decisions on leaves of absence and discipline.

g. *Records.* The nature of the program will in large part dictate the records that are necessary. For instance, the Detroit Edison program with its insurance principle and generous benefits requires rather extensive records. The lost time of each employee with coded reasons, days of absence, and frequency of absence must be related to

his balance in the "sick bank." Quarterly departmental records summarize the days, reasons, and frequency of absences. Data from these work sheets are then summarized and reported to central management, where a company report is made up.

Other companies may need much less detailed reports on individual and departmental absences. Records must be sufficiently detailed, however, to support consistent administration of benefits and penalties. Some departmental reporting of frequency of absence, causes, leaves granted, leaves refused, and disciplinary action is therefore necessary.

Principle 3. Inform supervisors of the nature, details, and objectives of the absence-control program.

The supervisor is a key figure in absence control. His understanding of the company program and of the desired approach to absentees is a minimum precondition to the success of the program.

Particularly where interpretations of policy are involved, the supervisor must have the advantage of prior discussion. Consistent administration over the whole plant requires procedures for both informing and checking on departmental supervisors.

Principle 4. Inform the employees.

Having determined the nature and procedures of the absence-control program, management must inform the employees. A part of the program will appear in

the collective agreement, if there is one; but the program as a whole should be explained to the employee, perhaps through a booklet outlining his rights and duties. The New York Telephone Company handbook for new employees, for example, is amply illustrated and under topical headings such as "Say Ah-h-h" tells the employee of medical services available to him, and so on. After all benefits are outlined, the employee is told of his responsibilities, among which are regular attendance and reporting of absences. Then company responsibilities to the community, customer, investor, and employee are explained.

A special reminder of the proper procedure for reporting emergency absences should be given to new employees, and when a change is made, to all employees. An effective method is to list the procedure, including the telephone number and proper extension, on a card to be kept near the employee's telephone.

Principle 5. Seek the cooperation of the union.

The first step in seeking the cooperation of the union is to apply or be willing to apply the foregoing four principles. A positive approach, a well-articulated program, care in the training of supervisors, full information to employees, all are important in obtaining an affirmative response from the union. Consultation with the union in the development of the final program may be advantageous, especially since some parts of it have already been established through negotiation and are included in the collective bargaining agreement.

Depending on the structure of labor relations within the company, there are many contract clauses which, according to the BNA survey on absenteeism, have been found useful in dealing with the problem. One clause simply puts the union on the line by specifying union cooperation in combatting absenteeism and any other practice that restricts production.

Provisions re-enforcing the disciplinary authority of management are helpful in making the penalty structure stick. One clause suggested was a provision for automatic dismissal where absence is without notice or without company approval. A management-rights clause specifying unilateral authority to dismiss, lay off, or demote under certain conditions is often preferred as providing discretionary authority. If management has worked out its absence-control program, then negotiations on this question can be related to its program of corrective penalties.

Other provisions that associate benefits with good attendance practices are the following:

- 1) Holiday pay is to be withheld unless an employee has worked, or has had justifiable cause for absence, both the day before and the day after the holiday.

- 2) Overtime work may be withheld when an unexcused absence occurs during the straight-time period.

- 3) The overtime rate for Saturday, as such, will not be paid unless the employee has worked the five previous days.

- 4) Absence during an employee's probationary period prolongs this period.

5) The employee's attendance record is to be considered a factor in determining qualifications for promotion.

6) Vacation pay or time may be penalized for excessive absence.

7) Company and employee contributions to a recreation fund are to be based on employee attendance.

Finally, contract clauses may implement the minimum procedural requirements of the absence-control plan. The collective agreement may provide that an employee must obtain written permission for extended personal or sick leave, or that the employee must call at the beginning of the shift in case of emergency absence, or whatever the company requirements are.

Principle 6. Administer the program consistently and without discrimination.

The best-thought-out program will not be helpful in absence control unless it is properly administered. Allowing for some exceptions during the period of adjustment to a new or revised program, management will want as quickly as possible to begin administering the program consistently and without discrimination.

A sound program of absence control should reduce the number of individual decisions a supervisor must make, since most decisions will be removed from the level of individual case treatment and routinized. Consultation will not only serve as an aid to consistency, but will also point up any problems inherent in the program itself or in its procedures.

Principle 7. Make changes as these appear desirable or necessary.

As changes appear desirable or necessary, these should be made, preferably through consultation with the union or through negotiation. To conceive of any program of absence control as a static policy is to reduce the possible advantages of such a program and to misunderstand the nature of industrial relations and the functioning of our economic society.



IX. What Can Be Learned from Arbitration Awards

SOME UNDERSTANDING of the complexity of the problems of disciplining for absenteeism can be gained through the study of arbitration awards, which establish, at least for the parties involved, standards of behavior in this area. The collective bargaining contract is basically a statement of norms of behavior, responsibilities, and obligations of the parties with regard to wages, hours, and working conditions. Also generally included in the agreement are procedures and conditions that are to govern any departures from these norms. Arbitration decisions on grievances arising under contract clarify the standards and become a part of the responsibilities of the parties involved.

The object of arbitration, then, is not only to dispose of a disputed situation, but to facilitate the operation of the industrial unit by clarifying the responsibilities and privileges of both management and labor. A study of the arbitration awards published each year by the Bureau of National Affairs in a service entitled *Labor Arbitration Reports* reveals some areas of general agreement among

arbitrators. Cases are cited by the reference *LA* with volume and page.

1. AREAS OF AGREEMENT

One of the principles on which there is general agreement is that the employer has a clear right to discipline and to discharge an employee for excessive absences. The reasoning behind this consistently held view is that the economic interest of a company's management and stockholders is jeopardized by excessive absence, and in the same way, so is the economic welfare of all employees. Management has an obligation to insure the wages and regularity of employment of the majority of the employees. This can be done only if the productivity and earning power of the business are safeguarded. The interest of the whole group is thus theoretically protected, perhaps at the expense of the individual who is discharged.

In the same light, the employer may exact a lighter penalty for absences, since a company cannot operate without assurance of the presence of its employees. Three awards in point are 19 *LA* 399, 23 *LA* 663, and 23 *LA* 683.

Furthermore, the employer may discipline and discharge for excessive absences *regardless of the reasons for the absences*. Chronic illness may be a mitigating circumstance and may require more judicious treatment than mere unexcused absences, but ordinarily arbitrators do not expect an employer to continue to offer employ-



ment to a person who is physically or mentally unable to work. Three key awards on this point are 11 LA 419, 14 LA 153, and 15 LA 593.

Although the employer clearly may take disciplinary action to combat absenteeism, the maximum penalty he exacts and the procedure he follows must be conditioned by the environment in which he makes his decisions. Some of the aspects of this environment which have been considered important by individual arbitrators are the procedures and the penalties prescribed in the collective agreement, the past practices of the employer, and certain extenuating circumstances, such as length of service of the employee.

a. *Prescribed procedures.* If a certain warning procedure is specified in the collective agreement as being necessary prior to disciplinary layoff, then the arbitrator will ordinarily honor the wording of the contract and require that the employer meticulously follow the procedure. Often the arbitrator interprets the clause in question as to its intent. For instance, where the collective agreement permitted the employer to give formal warning to demote and ultimately to discharge for absenteeism, Pacific Mills, in determining whether to demote, was allowed to consider only those absences that occurred subsequent to the warning. The arbitrator held that the purpose of the warning clause is to give the employee an opportunity to correct absenteeism before a penalty is imposed. (3 LA 141.)

The procedural aspects of the collective agreement are ordinarily held to be binding upon the employee as

well as the employer. Thus the Pacific Mills contract, which specified that a penalty might result unless the company received notice of the employee's absence, was interpreted to mean not that the absent employee must send word, but that the company must receive notice. (2 LA 326.)

b. *Prescribed penalties.* Where the contract sets a penalty for a certain offense, such as failure to report for scheduled work on a holiday without justifiable excuse, then the employer is ordinarily precluded from imposing any penalty other than that stated, and certainly not a heavier one for this offense. (14 LA 372 and 23 LA 663.) On the other hand, failure to specify discharge in the collective agreement when other penalties for absence are prescribed does not necessarily apply in cases involving excessive absence. Otherwise, the employer in such an instance would have no remedy against excessive absence. (23 LA 663.)

Nevertheless, specification of discharge for unauthorized and unexcused absences does not, even in the absence of other provisions, necessarily preclude an area of discretion to the employer in dealing with absenteeism. (10 LA 498.)

c. *Employer's past practices.* These past practices, in the view of most arbitrators, represent what the employee has a right to expect. The employee may in fact come to rely more on practices than on written rules, if these are not the same.

Where the employer in the past regularly reinstated employees taking unauthorized leave if they had good

past records, an arbitrator may consider discharge too strong a penalty for this offense. (14 LA 121.) Again, where an employee of several years' service used the procedure that had been all right for others in the past when he took time off to take a master plumber examination, a discharge was commuted to disciplinary layoff by an arbitrator. (12 LA 847.)

However, an employer is not entirely bound by his past practices. For instance, Geneva Steel Company's permanent board of arbitration upheld a reprimand and a four-day suspension where an employee, though warned, went deer hunting anyway, and merely reported to the foreman that he was taking off in accordance with what had been acceptable procedure in the past. (12 LA 344.)

Consistent practice also strengthens company rules. Where it had been the past practice of North American Aviation to enforce a rule that absence for five consecutive days without notice was cause for discharge, this rule was found to be binding on an employee. (21 LA 248.)

In summary, arbitrators are concerned with the wording and intent of the contract, the penalty imposed, the procedures used by both the employee and the employer, the past record of the employee, the nature of the excuses given, the past practices of the employer, and even the usual practices of the industry.

2. AREAS OF DIFFERENCE

While sporadic, if not chronic, illness is generally accepted as "excused," there is a good deal of difference of opinion on the following points: (1) whether a doctor's certificate can be required by the company if this is not specified in the contract; (2) whether the cause of absence is a primary issue when procedural matters become involved; (3) whether illness excuses must be accepted on face value; (4) whether illness that prevents one from working may permit one to do some personal errand such as a trip to the store or to play poker in a well-heated room; (5) whether the personal physician or the company physician must be believed; and (6) what to do about illnesses related to alcoholism. Perhaps further medical research will have important effects in this area where differences of opinion are so marked.

Another difficult question is how an absence resulting from a jail sentence should be viewed. Often such an absence may be anticipated, and some employers apparently grant leaves quite readily for the period of the sentence.

Other cases indicate a reluctance on the part of employers to recognize jailed employees as being entitled to reinstatement. Most arbitrators agree that the presumption of innocence accorded all accused should excuse an arrested employee's absence until the case is disposed of. (26 LA 176.) When conviction follows arrest, however, some nice questions remain. The union ordi-

narily will claim that conviction neither affects nor threatens the employment relation, and most arbitrators are seriously concerned in instances where it is alleged that a penalty has been exacted for activities off company property and not related to employment. Ordinarily, however, there are other issues involved as well.

3. CONCLUSION

The main lesson to be learned from a study of arbitration awards is the value of consistency to any absence-control program. For the employee, this means consistency in utilizing procedures required by the employer or the contract. For the employer, it means consistency in administering leaves and in disciplining employees, so that company practice conforms as closely as possible to the intent of the basic program.



X. How One Company Meets the Challenge

THE CANNON ELECTRIC COMPANY is a corporation engaged in the manufacture of high quality electrical products. Its operations are conducted in nine buildings in the Los Angeles area with an average of 2,600 people working in production, clerical, and technical positions.

The company was established by James H. Cannon in 1915 as a backyard shop. An integral part of the growth of Southern California industry, the firm moved from such early projects as the development of a paging system for the county hospital to the manufacture of electrical connectors needed by the motion picture studios when the "talkies" came into vogue. Another period of growth was fostered when Douglas Aircraft Company required speedy electrical connections for aircraft circuits.

Expanding with the aircraft industry during World War II, Cannon came to rely on a new source of industrial labor—women. Finding that women were especially adept at certain operations required in the manufacture of electrical equipment, Cannon has continued

to maintain an industrial labor force of about 50 per cent women.

Company policy and company rules have traditionally been formulated with the idea that all at Cannon are "workers" whether working at desks, at benches, or on machines. Under this philosophy the absence-control plan does not distinguish between factory and nonfactory employees. There is, however, a bargaining unit, represented by Local 811 of the United Automobile, Aircraft and Agricultural Implement Workers of America, AFL-CIO. This union has been recognized as the sole bargaining agent for production and maintenance employees since 1950.

From the company point of view, there was a need to formalize the procedure for dealing with absences and granting leaves. Much of the absence-control program has evolved through a process of discussion at the supervisory level, and ordinarily it is through supervisory consultation that needed changes become apparent. The program is an integral part of labor relations within the plant. Thus it follows traditional company lines in administrative procedure and traditional company policy regarding the approach that is suitable.

1. BENEFITS AND PENALTIES

Allowable medical leaves for bargaining unit members at Cannon are primarily negotiated matters, although a leave system was in operation before the first collective agreement. The main benefits are paid holi-

days, formal and informal leaves of absence, sick leave, and vacations.

The penalty program for certain absence practices is a running thread through the benefits program. The following contract provisions illustrate this relationship:

1) In order to collect holiday pay, an employee must not be on leave or layoff and must have worked his scheduled work-day prior to and following the holiday, except in the case of illness or injury which is proven to the satisfaction of the company. This is a part of the collective agreement and encourages attendance both before and after holidays.

2) One of the specified conditions under which continuous service shall be automatically broken and accumulated seniority lost is failure to notify the Personnel Director within three working days or sooner, if physically possible, of the employee's inability to report for work because of sickness or accident. Thus it is a matter of agreement between the union and the company that if an employee is physically able to do so but fails to notify the proper officer of his inability to report for work for three consecutive working days, the employee may be discharged.

3) Another specified condition occasioning automatic breaking of continuous service and loss of seniority is the failure of an employee to report for work at the expiration of a leave of absence, unless unable to report because of sickness or accident.

4) Another agreed-upon condition affecting seniority and service is that an absence from work on a medical leave may not be for more than 12 months, though in exceptional cases the company and the union may agree that seniority is not broken.

5) Earned vacation time may be penalized either because of involuntary absence of more than 60 days or because of voluntary absence of more than 30 days, exclusive of earned vacation properly authorized. Involuntary absences are those arising because of personal medical reasons. Voluntary absences are considered as personal leaves.

In addition, there is an unofficial understanding that one of the matters that will be considered in determining which employees are to receive merit wage increases is a satisfactory attendance record. As a rule of thumb, sporadic absences of ten days in the four-month review period are considered excessive, whereas workers on planned leave are not affected unless they are out 30 days. The theory behind this approach is that sporadic absence is more detrimental to production schedules than are planned absences.

The company also disciplines employees for what it terms excessive absenteeism, upon the advice of the foreman in question or after periodic examination of the individual attendance records. For want of a better definition, the company views excessive absenteeism as being the worst absenteeism rate of an employee or employees in a department over a period of time. Under present absence rates of employees, the management holds that this is a fair and workable definition which is not likely to require discipline of employees whose absences are not excessive by other standards as well as this one.

The primary purpose of the penalties is to encourage both attendance and utilization of the prescribed pro-

cedures for whatever absences the employee must take. A notable feature is that planned absences on leave do not carry the penalties of sporadic, unannounced, and unreported absences. The collective agreement thus encourages cooperation on the part of the employee in following the proper procedures. This in turn insures the least possible interruption of production schedules.

2. PROCEDURAL ASPECTS

The absence-control program includes procedures for obtaining the benefits, for avoiding the penalties, for managerial discipline for excessive absenteeism, and for worker protest concerning discipline or denial of requested leave.

a. *Planned leaves.* To obtain an informal leave of absence the employee must make such a request of his supervisor at least four hours before the end of the last shift worked prior to the start of the leave. Formal leave is necessary for absences exceeding one week. Reporting at the end of the leave is also mandatory. A formal leave for medical or personal reasons requires a written application. In addition, a written statement of a qualified physician must support a request for a medical leave.

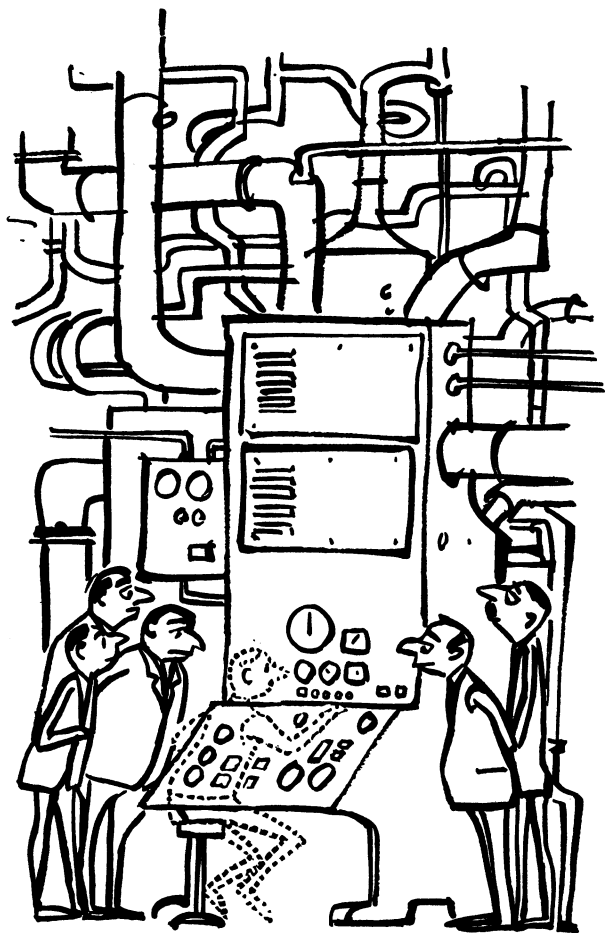
b. *Unauthorized leaves.* In case of an emergency, where the employee has not been able to give advance notice to his supervisor, he must notify the Guard Desk immediately by phone or telegram and daily thereafter. As previously noted, if he fails to report within three working days (unless physically unable), he is subject to

discharge; and the company enforces this penalty. An employee must apply for a leave prior to the sixth working day, even if he or she calls in each day of sporadic absence.

To avoid penalties for absence, the prescribed procedures must be followed. Company policy provides that explanations for absences will be accepted in good faith, but notification of absence and of continuance of an absence must be tendered daily to the proper authority unless leave has been granted. The whole burden of avoiding penalties in connection with absences is thus placed on the individual employee.

c. *Excessive absenteeism.* In the case of frequent absences, a progressive discipline is enforced. First there is a verbal warning, then a written warning, then a layoff for three days. If absenteeism continues, further disciplinary layoffs up to two weeks, leading to eventual discharge, may be imposed depending on the circumstances of the absenteeism problem. These disciplinary actions are usually initiated by the foreman.

The company policy in this regard is constructed on the assumptions (1) that the provided procedures for seeking leaves are liberal and are necessary to the operation of the company; (2) that discipline for excessive absenteeism is corrective in nature, since even a valued employee may slip into careless work habits; and (3) that excessive absenteeism, if not corrected, is detrimental to the group harmony necessary to guarantee a profit for the company and its stockholders, high wages and job security for the employees, and a satisfactory product for



the customer. Discipline and discharge for just cause are stated managerial prerogatives in the collective agreement.

d. *Grievance procedure.* The collective bargaining agreement provides that if an employee feels aggrieved by any company discipline, he shall have recourse through the grievance procedure set forth in the contract. This is a three-step procedure with time limitations on each step. Unsettled grievance issues arising out of interpretation or application of the agreement may be arbitrated. The employee may also utilize the grievance procedure if he is refused a leave of absence.

3. ADMINISTRATIVE ASPECTS

Administrative aspects of the Cannon absence-control program include the keeping of records; education of the employees, especially new hires; and the manner of handling requests for leave.

a. *Records.* The only record that is considered absolutely necessary to the program is an individual employee record of daily attendance which covers a period of two years and is kept up to date by one of the 200 foremen. Among other things, this record allows the foreman to calculate the status of the employee for purposes of employee rating and review. After two years the record is filed permanently in the Personnel Office.

Other paper work is involved in the written requests for leave and the answers to such requests. Confirmation letters are sent to employees who have been granted

formal leaves of absence specifying the dates of the leave, the procedure for reapplying, how to prevent lapse of group insurance, and so on.

In the past it has been a function of the Labor Relations Administrator to study the individual employee attendance cards periodically in order to determine whether excessive absenteeism is a problem. The company is now instituting a procedure whereby the foremen will send to a central office the names of the three persons with the worst attendance records each month. The purpose of this report is to make certain that discipline is not undertaken in one department when persons with worse records in other departments are not being disciplined. This information is needed to avoid disciplinary action which the union might charge is unfair or discriminatory. The company is also initiating a program of positive recognition of the people with the best attendance records.

b. *Education of employees.* Management is concerned with seeing that each employee understands the privileges and duties of this and other company programs. To this end a new employee's booklet was prepared and is available to factory and nonfactory employees alike.

In addition, a group induction program for new employees conducted by the Personnel Relations Department includes a talk on the history of the company, its production, and the rules and benefits. Each new employee is also given a card informing him of the procedure for notifying the Guard Desk of an emergency absence.

c. *Granting of leaves.* The aims and procedures of the program are also explained in the supervisor's handbook. About 200 foremen, as delegates of the Personnel Director, act on the requests for personal or sick leave. These foremen, in determining whether to grant or refuse a leave, take into account the work load of the department. This, too, is a matter of agreement with the union; the contract specifies that the granting of formal leave is subject to production requirements, except in the case of extreme emergency such as death or serious illness in the immediate family.

The Labor Relations Administrator acts as the coordinator of the leave-of-absence program. Foremen are supposed to consult him regarding any unusual requests, since he is responsible for seeing that the granting of leaves is fairly consistent over the whole plant. He is also the key administrative official for noting whether any of the rules, procedures, or practices need to be revised.

4. UNION RESPONSE

Union officials consider it the union's responsibility to assist management in the solution of the problem of absenteeism. To this end they would like to participate in an effort to improve the program at certain critical points. Since the union claims some credit in having bargained for some of the specific benefits, it has a vested interest in at least certain features of the absence-control program. Following are some of the operational problems as seen by union officials:

a. *Unilateral company action.* If the union is to accept its full responsibility as sole bargaining agent, its officers hold that they should be consulted before rules are altered, even when this is done to meet pressing problems. The union considers company rules more or less as working conditions, and any change in these without consultation with the union is seen as a unilateral alteration of working conditions. Management, of course, sees company rules as falling well within its prerogatives. In some instances union representatives have been consulted.

When changes are made in rules without consulting the union, ordinarily the union challenges the company position. This is a frictional area in many or perhaps most industrial plants. Company rules are neither clearly working conditions nor clearly beyond the reach of the collective agreement. The point is well taken, however, that if the union is expected to take a positive role, then consultation with its representatives before rules are changed is advantageous.

b. *"Double penalty" effect of enforcement of penalties.* The union officials claim that there is some effect of double penalty when for the same set of absences an employee may lose his chance to be considered for a merit raise, may receive a disciplinary layoff, and perhaps may be denied formal leave at a later date on the basis of his attendance record. For this difficult problem the union has no clear-cut remedy except perhaps to consider that an exacted penalty disposes of the act for which it was imposed. This approach, however, might have the undesirable consequence of removing penalties

from the "corrective" status to the "punishment" status. It would certainly be more reasonable in the case of occasionally absent employees than of chronically absent ones. Yet the accumulation of penalties for given absences has undesirable results, too.

c. *Inconsistencies in administration of program.* Union officials hold that because some 200 foremen keep the important records and make the strategic decisions regarding how individual absences are to be treated and who is to be penalized, inconsistencies are inevitable. They claim that the granting of leaves and the penalties for absences tend to vary from department to department, and that this variation is due, not to production requirements, but rather to lax central administration. The company has seen some merit in this criticism and, as noted earlier, has made an effort to devise a reporting form to standardize disciplinary measures.

d. *Problems in connection with notice.* The union notes that many grievances arise out of the three-day time limit for giving notice of inability to report for work, because neither the union nor the company has a way of definitely establishing whether an employee has called in, as he may claim. The union has a specific suggestion to make—the adoption of a numbering system for recording calls which has proved successful at another firm. The employee calls in and gives his name, which is written opposite a number, along with the time of his call and any other pertinent information the company wants. The employee is told his reference number for this call. Later, if there is a disagreement, he is asked

by the union official what his number was. Perhaps he answers 36. Maybe that week the numbering used was in the 500 series. The union representative then has good reason to believe that he is not telling the truth. This simple system removes the argument.

The union is also concerned that in spite of the employee booklet, the collective agreement, and the orientation session, many employees are misled by contradictory telephone conversations. The remedy suggested is that telephone conversations should be standardized to conform with the collective agreement requirements. An employee should not be told that everything is taken care of, when in fact he is probably subject to discharge if he fails to call in the next day or if he fails to write his foreman requesting a leave to cover an absence of more than a week. A standardized reply, or even a recorded reply, would be more helpful.

e. *Other issues.* The union objects to what it terms "making an example of an employee." This objection tends to conflict head on with the company definition of "excessive absenteeism" as the worst record of absences in any given period.

The union also holds that added thought should be given to the effects on women's health of the type of industrial work they are doing and of the extraordinary surgical needs of some of them after a long work history.

In short, the union is interested in both the long- and short-run aspects of the absence-control program, particularly since a large number of the grievances at Cannon originate in various aspects of this program.

5. SUMMARY

The Cannon program of absence control is one which, in its general outlines, may be adapted to either a smaller or a larger company, and with some changes to a nonunion company. It fulfills reasonably well the principles of a positive absence-control program through relating benefits to cooperation and good attendance on the part of employees. Furthermore, there is flexibility in the program and its administration, so that changes may be made from time to time.

Perhaps one of the strengths of the program is the fact that neither union nor management thinks it is perfect. Thus the plan is just an integral part of the working relations at Cannon and has not become a sacred cow.

Many suggestions for improvements have originated with the union. Because of the interest of both management and the union, there is likely to be continued pressure from both sides for a friction-free program to promote good attendance.



XI. Some Conclusions

WORK ABSENCE is a world-wide phenomenon observable in planned and unplanned economies alike. For some societies it may mean lower standards of living; for any society, absenteeism, however defined, represents a cost of production.

Why a worker is unable or unwilling to work at times when he is expected to do so has been the subject of many studies. At one time it was widely believed that most of the fault for a high absence rate lay with the workers themselves, workers who failed to see the importance of diligence, who preferred little income to longer hours, who might be prevented from coming to work by almost any adverse circumstance from bad weather conditions to convenient malaise.

We hear less and less of this point of view as social scientists, physicians, and employers delve more deeply into the contributory causes of absences. Increasingly we hear less about "absenteeism" and more about "absence control."

As the reasons for absence are better understood, the managers of modern industry move to apply this new understanding. Thus the government of Mexico seeks to raise the level of aspirations and living standards of

workers in the new industries in order to promote better attendance. In the United States, management continues to try to improve the functioning of private business through better personnel policies, including those dealing with absence control.

This pamphlet has sought to set forth both the challenge of and possible remedies for absenteeism. Good management was found to be a prerequisite, with adequate production planning, placement of employees, and training of supervisory employees being of the utmost importance. Provision of medical services to deal with problems ranging from minor ailments to emotional disturbances will support a sound program of industrial relations. Accurate and fairly detailed records on attendance are needed, as well as regular procedures for dealing with absences. Cooperation of the union, if any, and of the community is desirable.

Efforts by many individual companies to reduce the costs of unplanned absences present a laboratory view of how management may meet the challenge of absenteeism. However, additional studies are needed to provide continuing new insights into the relationship between work absence and individual adjustment. If, as the Hinkle and Plummer studies suggest, one third of the working population has a tendency to be chronically absent from scheduled work, then society in general has a stake in the furtherance of medical, sociological, and psychological research. All of us would benefit from the decreased absence and increased productivity, morale, and effectiveness of all workers that might result.

XII. Suggestions for Further Reading

PROVOCATIVE READING on absenteeism may be found in government publications and in many business and professional journals. Of the postwar studies, those of Drs. L. E. Hinkle and N. N. Plummer and their associates for the New York Telephone Company are outstanding. Articles on their work appear in *Industrial Medicine and Surgery*, 21 (1952), 365-375; *American Medical Association Archives of Industrial Health*, 11 (March, 1955), 218-230; *American Journal of Hygiene*, 64 (September, 1956), 220-242; and *American Journal of Psychiatry*, 114 (September, 1957).

These medical studies provide insight into new attitudes toward absence related to illness, which is not only the major cause but also the most expensive factor in absenteeism.

The studies at Detroit Edison Company in 1949-1950 were conducted and reported on by Floyd Mann, James Dent, and Howard Baumgartel of the Survey Research Center at the University of Michigan. These reports may be obtained from the University of Michigan at Ann Arbor. An application of the research findings by Mann

and John E. Sparling has been issued in pamphlet form by the American Management Association under the title "Changing Absence Rates."

A comparison of the New York Telephone and Detroit Edison studies is contained in Alfred G. Larke's article, "Curing the Absence Habit," reprinted from *Dun's Review and Modern Industry*, April, 1956. For another study of a similar company, the Consolidated Edison Company of New York, see W. M. Gafafer, "Absenteeism," in *Manual of Industrial Hygiene*, William McKinley, ed. (Philadelphia: Saunders, 1943).

A postwar contribution to the understanding of the characteristics of absentees is reported by Max D. Kosoris in the July, 1948, issue of the *Monthly Labor Review*. The *Review* also has numerous articles on wartime and postwar absenteeism rates and experiences of both the United States and allied nations. Of special interest are the articles, "Neurosis Among British Factory Workers," 66 (April, 1948), 403-404; "Studies of the Effects of Long Working Hours," 58 (June, 1944), 1131-1144; a summary of twelve plant surveys on the same question, 59 (October, 1944), 737-740; and "Sickness Absenteeism under General Motors Corporation Group Insurance Plan," a study of plants in Canada and the United States, 74 (January, 1952), 38-40.

Besides the U. S. Bureau of Labor Statistics, other governmental agencies issue pertinent publications on absenteeism from time to time. These may be purchased from the Superintendent of Documents, Washington, D.C., or may be borrowed from the Federal Documents

Depositories which are maintained in many parts of the United States. One such publication is the pamphlet *Turnover and Absenteeism*, No. E-61, issued by the Bureau of Employment Security, as revised in July, 1957. Issued by both the U. S. Public Health Service and the American Medical Association is "A Syllabus on Work Absence," printed in the January, 1956, issue of the *American Medical Association Archives of Industrial Health*. The Division of Labor Standards of the Department of Labor published in 1943 a Special Bulletin No. 12, *Controlling Absenteeism, A Record of War Plant Experience*, which includes a report of some of the testimony heard by a wartime House Labor Committee on the question of absenteeism.

A penetrating analysis of "Absenteeism and Labor Turnover" appears in Elton Mayo's slim volume, *The Social Problems of an Industrial Civilization*, published by Harvard University in 1945. This analysis draws heavily on the study by John B. Fox and Jerome F. Scott, *Absenteeism: Management's Problem*, published in 1943 as No. 29 of Harvard's Business Research Studies, and a study by Mayo and George F. Lombard, *Teamwork and Labor Turnover in the Aircraft Industry of Southern California*, published in 1944 as No. 32 of the same series.

The Bureau of National Affairs, Inc., has issued three bulletins: *How to Cut Absenteeism* (1952); *Control of Absenteeism* and *Computing Absenteeism Rates*, surveys No. 26 and No. 27 respectively of the Personnel Policies Forum Series (1954). The BNA also reports on arbitration awards in the cumulative series *Labor Arbitration*

Reports, which was used as a reference for the arbitration chapter of this pamphlet.

The National Industrial Conference Board, Inc., has also issued several bulletins, one of great interest being *Controls for Absenteeism*, No. 126 of its Studies in Personnel Policy (1952).

For references to the absenteeism experiences of other countries in addition to those found in the *Monthly Labor Review*, see (India) A. K. Rice, *Productivity and Social Organization; The Ahmedabad Experiment* (London: Tavistock Publishers Ltd., 1958); (Soviet Union) Maurice Dobb, *Soviet Economic Development Since 1917* (New York: International Publishers, 1948); W. H. Chamberlain, *The Soviet Planned Economic Order* (Boston: World Peace Foundation, 1931); Harry Schwartz, *Russia's Soviet Economy* (rev. ed.; New York: Prentice-Hall, 1958); (Mexico) Sanford A. Mosk, *Industrial Revolution in Mexico* (Berkeley: University of California Press, 1950).

The well-known personnel, labor relations, and management journals contain articles on absenteeism occasionally. Two outstanding articles in the *Personnel Journal* are LeBaron O. Stockford, "Chronic Absentee and Good Attendant," 23 (December, 1944), 202-207; and Eileen Ahern, "Discharge for Absenteeism Under Union Contracts," 32 (October, 1953), 173-177. Another important article appears in the *Industrial and Labor Relations Review*: King MacRury, "Employee Morale: Analyses of Absence Records and Opinion Polls," 2 (January, 1949), 237-247. An article in the same journal which con-

tributes to the understanding of the role of the union in dealing with such problems generally, and in particular in India, is that of Van Dusen Kennedy, "The Conceptual and Legislative Framework of Labor Relations in India," 11 (July, 1958), 487-505. Foreign journals also contain articles on absenteeism. For instance, see F. D. K., "Attendance in the Coal Mining Industry," *British Journal of Sociology*, 5 (1954), 78-86.

These references will undoubtedly lead the reader to others, depending on his special interests. As a pleasant antidote to this maze of varying material, there remains *Fortune* editor Daniel Bell's essay, *Work and Its Discontents* (Boston: Beacon Press, 1956).



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